

# Welcome to a fairer future



FAIRTRADE  
AUSTRALIA  
NEW ZEALAND



ANNUAL REPORT  
2020/21



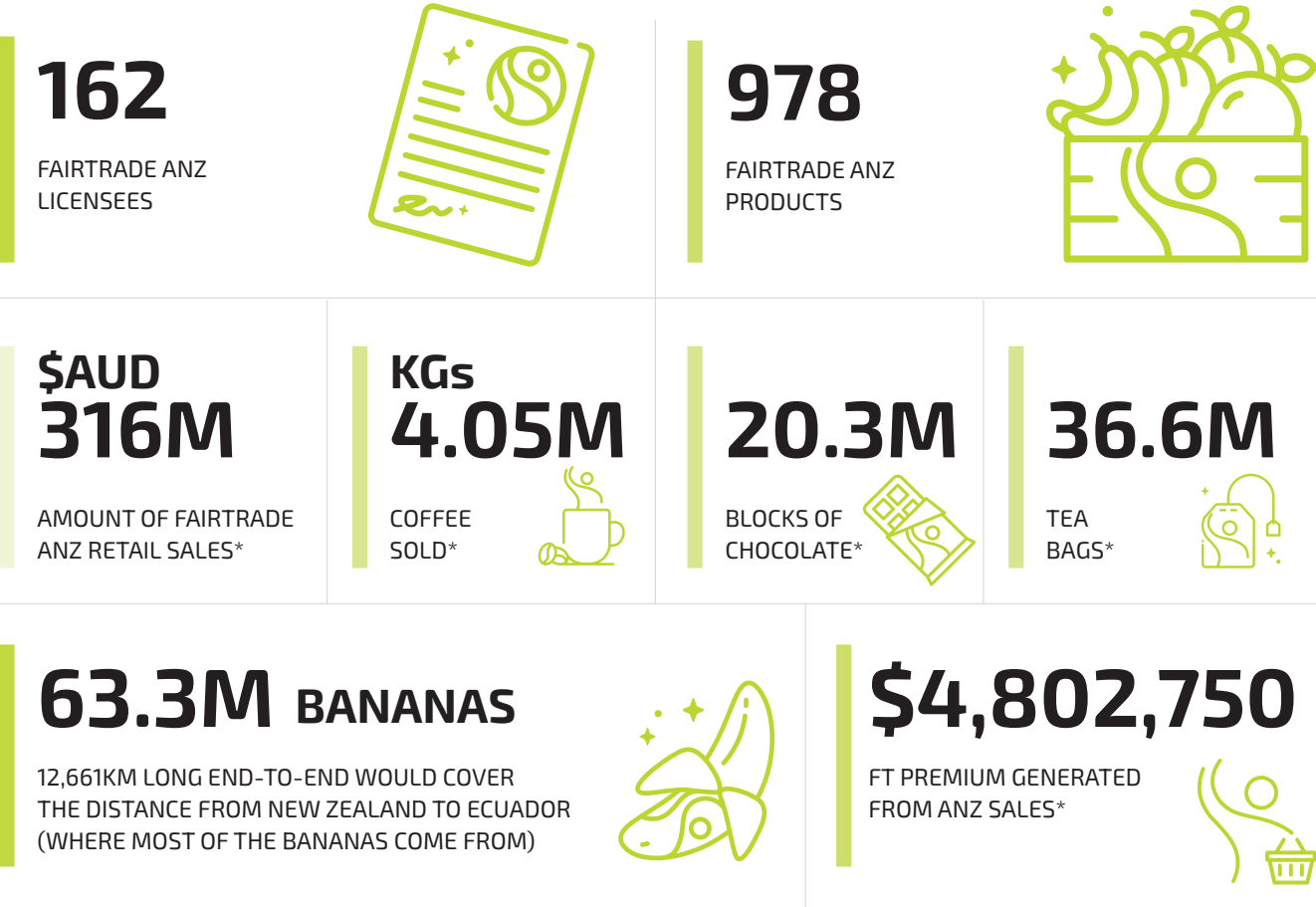


# Fairtrade in numbers

## GLOBAL STATS



## COMMERCIAL STATS (AUSTRALIA AND NEW ZEALAND)



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# About Fairtrade

**Fairtrade vision** A world in which all producers can enjoy secure and sustainable livelihoods, fulfill their potential, and decide on their future.

**Fairtrade mission** Connect disadvantaged producers and consumers, promote fairer trading conditions and empower producers to combat poverty, strengthen their position and take more control over their lives.

**Fairtrade Values**

**Action** We get the right things done promptly and effectively to deliver services to achieve maximum impact for people and communities.

**Integrity** Upholding our standards is paramount. We nurture and promote fairness and equality in global trade by being transparent in our work.

**Respect** We treat everyone with equality, respect and understanding.

**Impact** We strive to increase the impact of our work, going beyond expectations to set the agenda for rights in trade.

**Optimism** We believe we can make lives better and explore opportunities for working together to make long term improvements.

**Fairtrade in action**

Fairtrade Australia and New Zealand (Fairtrade ANZ) has three key objectives:

1. Make trade fair
2. Empower producers
3. Foster sustainable livelihoods.

To achieve these objectives we are transforming trade to better support people, the planet and prosperity for all. Fairtrade supports the development of thriving, empowered farming and worker communities. We do this by creating fairer trading conditions, improving access to international markets, building capacity of producer organisations and supporting workers' access to fair pay and negotiating power. We also work with business partners along the entire supply chain to promote and advocate for fair trade, and provide consumers with sustainable and ethical options. When people purchase Fairtrade products they enable producers to take more control over their futures, and protect the environment where they live and work.

Fairtrade ANZ is the largest regional member of Fairtrade International and has the sole right to license the use of the international Fairtrade Mark in Australia and New Zealand. Fairtrade International receives 36% of Fairtrade ANZ's licensing income. This money delivers producer services, sets standards, and supports market-facing activities, monitoring and evaluation and governance.

# Report from the CEO



It seems like there's not much to say about the pandemic and its impact on the world that hasn't already been said. It has certainly affected Fairtrade ANZ in ways we could never have anticipated. The heartbreak and loss have been devastating, but there have also been some positive aspects of change, ones that we can be grateful for.

*The disruption of supply chains has shown us just how connected we are – the world over. And those connections, or the awareness of them, have led to changes in the way people in Australia and New Zealand think.*

Research shows that we now have a deeper sense of global responsibility, and we are more willing to support our regional neighbours to overcome poverty and disasters. In addition to this, we're becoming aware of how our purchasing decisions impact people overseas. This deepening awareness by shoppers is influencing the way business responds as well. Responsible supply chains are not just ethical, they're good for the bottom line.

On the flip side, we've seen what happens when rich countries fail to support poorer countries in the way that they should with vaccines and PPE. While we aren't sure exactly how deep the impacts will be, there is a strong sense that the pandemic has meant inroads made in areas like child labour and gender equality will be undermined. The International Labor Organisation estimated that there were 160 million children involved in child labour internationally in 2021 but that an additional nine million are at risk by the end of 2022 because of the pandemic.

And, the inequity in Covid-19 vaccine distribution has also illuminated the priorities of more developed nations. The irony of this is that as large parts of the world struggle to access vaccines, the likelihood of new variants which affect us all is only greater. We are all connected, and vulnerable in this way too.

For our neighbours in the Pacific, life has had to change. Island states heavily reliant on tourism have been dealt a hard blow as incomes dried up almost overnight. However, research from Massey University in New Zealand shows that some Pacific states saw the well-being of their people improve as they returned to more traditional living like farming and fishing and reconnected to the land and sea, and to the wisdom of past generations. It is hoped that the lessons learnt from this time might even be useful for future natural disaster mitigation.

For our part, Fairtrade has tried to facilitate this re-connection wherever possible. Just a small example of this was in Timor Leste where one of our producer organisations used their Covid-19 relief funds to buy seeds to extend land cultivation for gonjac and other vegetables. Seeds have been stored for future seasons so that the program can continue into coming years.

This program, indeed all of our programs in the Pacific, build on our goal to engineer for fair. We work to make the world fairer, not through aid but through a system that levels the playing field and gives small hold producers a means to succeed in a world where they start at a disadvantage. We want them to be able to produce quality products and then have access to a market that will pay them fairly for those products and the value that they bring. Our job is also to bolster demand for those products so that the consumers who care about fairness know that buying Fairtrade is the best way to action those beliefs.

So, as we look forward, we do so with optimism knowing that the work of Fairtrade really does change the world to make it fairer for everyone.

**Molly Harriss Olson**  
CEO Fairtrade ANZ

# Report from the Chair



First of all, I want to extend my thanks to the Fairtrade family: Molly and her team; the farmers and workers; the licensees; our partners; the board and all the consumers who support Fairtrade by making the right choices when they shop. The last few years have not been easy for any of us but the continued sense of community that exists with Fairtrade is a testament to the organisation and the world it strives to create.

We are particularly grateful for the cofacilitation and many years of backroom support Fairtrade ANZ, through our CEO, has given to the landmark success of the regional producer network (NAPP) in their significant governance and constitutional changes at their recent extraordinary general assembly. Ninety-one percent of the regional producers supported these governance improvements, we congratulate Sanjeet and his chair Pravakar in their great success.

While the pandemic has taken much of our emotional and financial energy during the last 18 months, it's worth considering that we are facing an even bigger long-term crisis for the planet. How we approach the environment and our relationship with it in the next decades will impact generations to come.

I firmly believe that part of the answer is in how we address the inequities that capitalism has created and this is a space in which Fairtrade is perfectly placed to bring about change. To create a fairer world, we need to engineer structural solutions across trade and global value chains. The system that Fairtrade uses to do this is the most effective means of alleviating poverty and injustice.

And, it is clear to me that one follows the other – adjusting to climate change and mitigating its impacts can only happen when those mostly deeply impacted are not struggling to survive every day.

There is a deep irony that exists around climate change for our Fairtrade producers. Despite contributing the least to the climate crisis, smallholders in developing countries are disproportionately affected by it and simply do not have the resources to adapt. The impacts of the climate crisis are deepening as the weather changes and land becomes more difficult to farm. Indeed, farmers have told Fairtrade that climate change is their biggest challenge right now, and has been for several years.

However, we cannot expect – and it is not fair to expect – producers to cover the costs of more sustainable farming when they're often not even able to earn a living income and feed their families. It's simple: the price they receive for their produce is far too low. This needs to change – fast. One of the Fairtrade farmers in Nicaragua, Bayardo Betanco, of the Prodecoop coffee co-operative, explained it well:

*"There is a chain on earth that starts where the producers are. They are the ones who suffer the consequences of climate change, the ones who get the least help, and carry all of the burden. It's not fair,"*

Each year, as the number of Fairtrade producers increases worldwide, my hope is that life for farmers like Bayardo becomes fairer. I look forward to working with Molly and her team to help achieve that goal.

**John Buttle**  
Board Chair Fairtrade Australia  
and New Zealand



# Fairtrade Australia and New Zealand

## Producer Empowerment Team

Supports more than 21,000 producers in Papua New Guinea, Timor-Leste and the Pacific islands.

## Digitisation for Fairer Supply Chains

Ensures the trust and credibility of the Fairtrade Mark, and conducts audits against the Fairtrade Standards.

## Advocacy and Citizen Engagement team

Inspires actions, builds demand for Fairtrade products and supports licensees to tell their Fairtrade story through campaigns, events and digital and traditional media.



## Commercial Growth and Innovation

Collaborates with business partners to increase access and marketability of Fairtrade products across the value chain.

## Operational effectiveness team

Ensures compliance with Fairtrade Australia & New Zealand legal, financial and regulatory requirements, and builds strong strategic partnerships to grow our impact.



## National Fairtrade Organisations

National Fairtrade Organisations license the use of the Fairtrade Mark on products and promote Fairtrade in their countries.

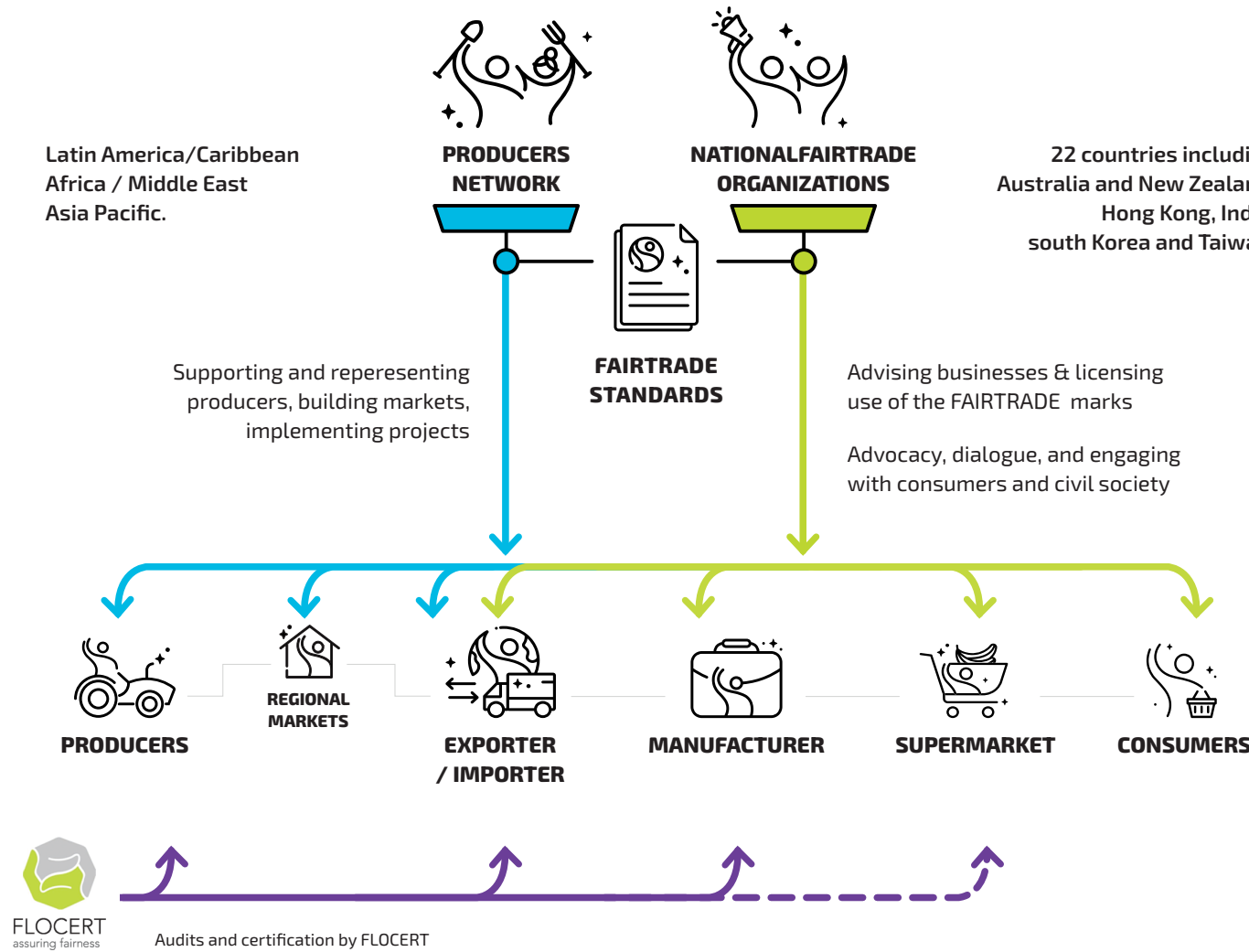
## Fairtrade International

Fairtrade International is the organisation that coordinates Fairtrade at the global level. Based in Germany, Fairtrade International sets the internationally recognised Fairtrade Standards, organises support for producers around the world, develops the global Fairtrade strategy, and promotes trade justice internationally.

## Producer Networks

Producer networks are regional associations that Fairtrade certified producer organisations may join if they wish. They represent more than 1.9 million small-scale farmers, workers and other producer stakeholders in 75 countries. Representatives of small-scale farmers and workers have a voting share of 50 percent in the General Assembly of Fairtrade International.

## Fairtrade System: Engineered for Fair

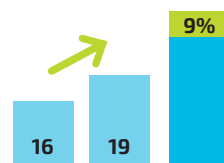




# Producer Support Stats\*

(\*Stats show data from 2020)

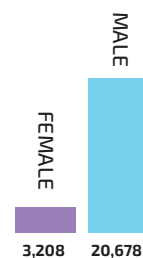
THE NUMBER OF FAIRTRADE ANZ PRODUCER ORGANISATIONS **INCREASED FROM 16 TO 19** AND THERE WAS **ALSO A 9% INCREASE** IN TOTAL MEMBERSHIP.



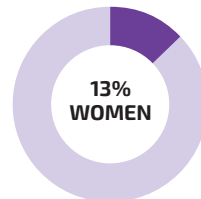
**23,886 FARMERS** ARE MEMBERS OF **19 FAIRTRADE ANZ PRODUCER ORGANISATIONS** REACHING **121,959 FT BENEFICIARIES**.



FAIRTRADE ANZ PRODUCER ORGANISATIONS IN THE ASIA PACIFIC ARE MADE UP OF **20,678 MALES** AND **3,208 FEMALE** MEMBERS.



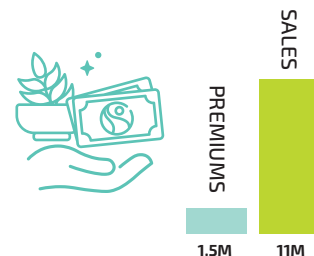
WOMEN REPRESENT **13% OF PRODUCER ORGANISATION MEMBERS** INDICATING **A RISE OF 2.4% FROM THE PREVIOUS YEAR.**



THERE ARE **17 SMALL-SCALE PRODUCERS ORGANISATIONS AND TWO WHO ARE CLASSED AS CONTRACT PRODUCTION ORGANISATIONS** WHICH MEANS THEY ARE NOT YET FORMALLY ORGANISED BUT ARE ON THEIR WAY TO BECOMING AN INDEPENDENT PRODUCER ORGANISATION.



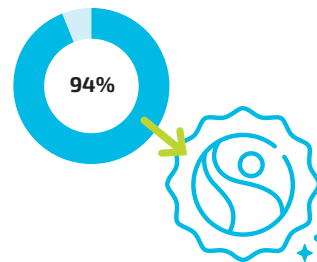
FAIRTRADE ANZ PRODUCER ORGANISATIONS EARN **AUD\$11 MILLION** FROM FAIRTRADE SALES AND RECEIVED **AUD \$1.5 M** IN FAIRTRADE PREMIUM.



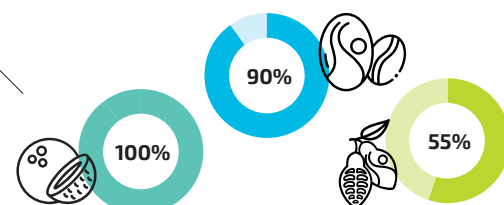
FAIRTRADE ANZ SUPPORTED **18 FAIRTRADE PRODUCER ORGANISATIONS** TO ACCESS **AUD \$93,811** IN CASH FROM THE COVID FAIRTRADE PRODUCER RELIEF FUND.



**94% OF PRODUCER ORGANISATIONS** SPENT THAT FUND ON THEIR FAIRTRADE CERTIFICATION FEES, WHICH HAS FREED UP MORE FUNDS TO INVEST IN BUSINESS DEVELOPMENT AND COMMUNITY PROJECTS

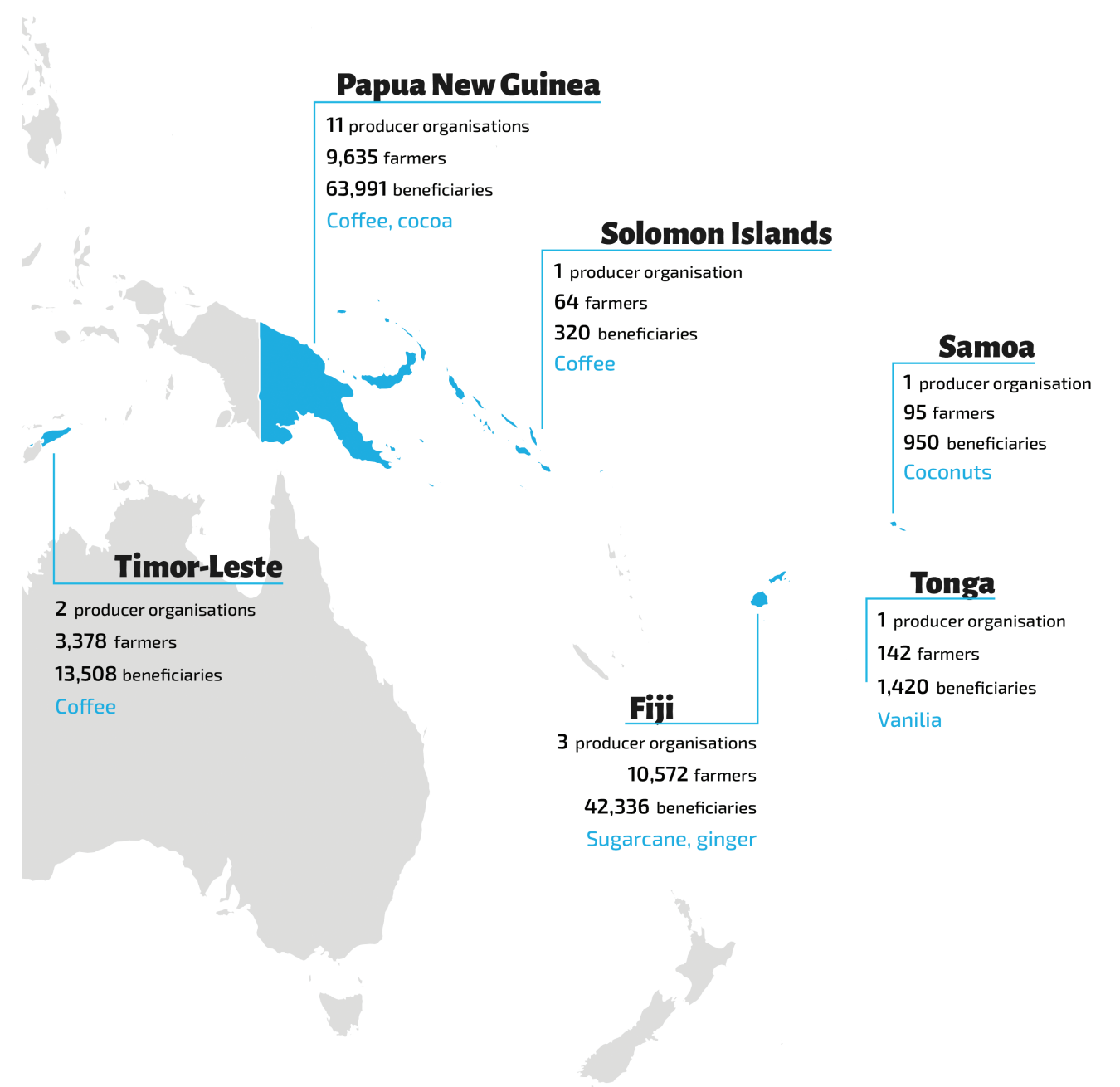


OF FAIRTRADE SALES, **90% OF THE COFFEE, 55% OF THE COCOA AND 100% OF THE COCONUT** FROM PACIFIC FAIRTRADE PRODUCER ORGANISATIONS WAS SOLD ON FAIRTRADE ORGANIC TERMS



# Our reach

Fairtrade Australia and New Zealand predominantly works within the Pacific region covering partnerships with producer organisations in Timor Leste, Papua New Guinea, Solomon Islands, Fiji, Samoa and Tonga. \*





# Our campaigns

## Fairtrade Fortnight

Our annual landmark campaign takes place in August and is our largest investment in awareness raising for the year. It is an important time for us to speak as one voice with licensees, community and retailers.

In 2020 the campaign tagline was: Make your positive mark for people and the planet – maintaining continuity from previous campaigns and emphasising the Fairtrade mark. The campaign responded to growing competition in the market, highlighting Fairtrade's environmental, and holistic, impact.

In 2021, international branding which featured the tagline: *The future is fair.* The ANZ campaign tagline was *Choose Fairtrade, Choose the world you want.*



### 2020 Fairtrade Fortnight campaign highlights

457,392  
REACH

1,408,575  
IMPRESSIONS

4,392  
LANDING PAGE VISITORS

### 2021 Fairtrade Fortnight campaign highlights

726,392  
REACH

3.4M  
IMPRESSIONS

6,977  
LANDING PAGE VISITORS

22.3K  
CLICKS ACROSS ALL CHANNELS

1,896  
NEWSLETTER SUBSCRIBERS

4,500  
BEN AND JERRY'S GIVEAWAY ENTRIES

51,382  
REACH ACROSS THE SEVEN INFLUENCERS WE WORKED WITH

## Billboards

Raising the profile of Pacific farmers and workers is an important pillar to our work with the Australian Department of Foreign Affairs and Trade DFAT, The New Zealand Ministry of Foreign Affairs and Trade MFAT and the WTO Enhanced Integrated Framework EIF. In support of this, throughout the months of June, July and August we placed digital billboards in Melbourne, Sydney and Brisbane. Cumulatively, the short animation featuring a Pacific farmer was played over a million times to people walking or driving by.

In New Zealand, digital billboards in Auckland and Wellington coinciding with Fairtrade Fortnight were played almost 300,000 times.



## Valentine's Day New Zealand

To support the launch of Tony's Chocoloney in New Zealand, we ran a Valentine's Day giveaway with Kokako and Tony's on Instagram, offering our audience the chance to win a three-month coffee subscription to Kōkako coffee and a pack of all six Tony's flavours. The purpose of this was to engage new and mainstream chocolate buyers to a new Fairtrade option. **We had 637 entries.**

## Mother's Day

The launch of Fairtrade roses to the Australian market was much anticipated in early 2021. Mother's Day is one of the biggest events in the calendar for florists in Australia. To maximise this, we promoted Fairtrade roses in the Australian market to our existing audiences on social media, to new audiences with CEO speaking at Moral Fairground's Mother's Day Morning Tea, through a flower installation at the Abbotsford Convent in Melbourne, and at point of sale at our leading distributors' marketplace.



## Commonsense Birthday & promotion of new PNG Good Fortune Coffee

To celebrate New Zealand retailer, Commonsense's, birthday and to raise the profile of PNG Coffee, we ran social media ads. A campaign was then developed to promote the new Good Fortune PNG Paradise blend which included posters, billboards and postcards.

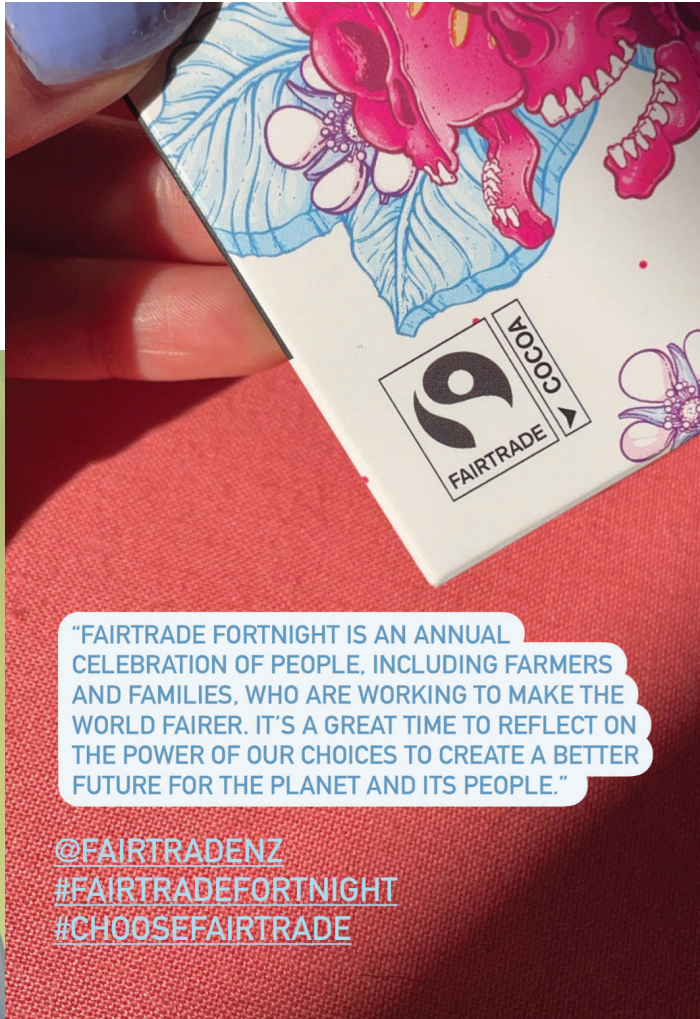
## Wellington Chocolate Factory PNG Chocolate and Good Fortune Coffee

A high impact advertising campaign called 'A PNG Adventure for the Senses' was rolled out in December 2021 on stuff.com, NZ's most popular news site. Winners to the giveaway accessed through the Fairtrade ANZ website received one of 10 packs of Wellington Chocolate Factory PNG Chocolate and Good Fortune Coffee. **The campaign had over 310,000 total impressions.**



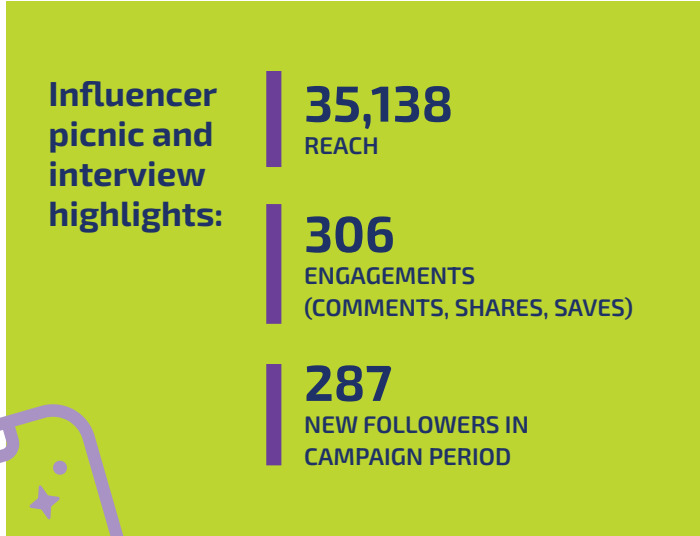
Reaching new audiences with influencers

Having new and different people speak about the importance of Fairtrade is essential when trying to reach new audiences. To foster this, we have developed the “Friends of Fairtrade” program, where a select number of influencers who are aligned with our values and audience are engaged to work with us on campaigns, and kept informed of the work we do. In 2022 this program will continue with seasonal boxes of Fairtrade goodies and invitations to work together on four campaigns throughout the year.



Influencer picnic and interview

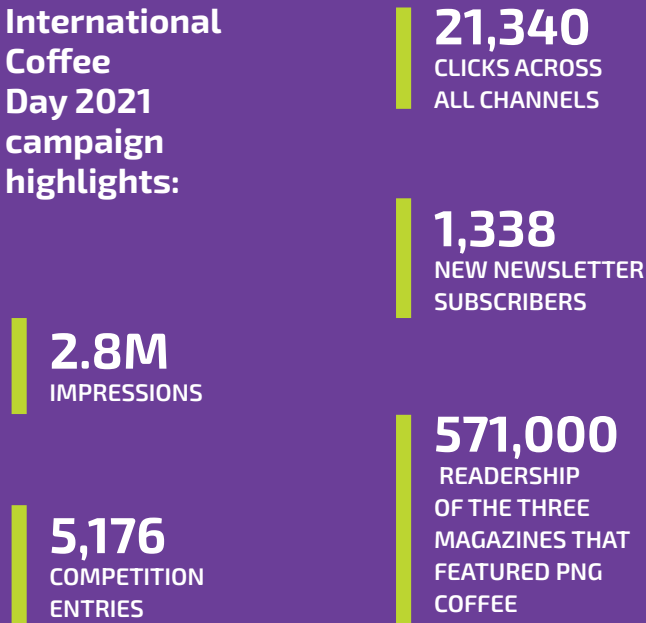
In December 2021, we coordinated two of our influencers, Danni and Maggie, to get together for a virtual Fairtrade picnic, featuring Fairtrade brands, including Papua New Guinea coffee from Jaspers, Karma Drinks, and Kowtow, Tony's Choccoloney, Moser Roth (Aldi), and Pico. After the picnic, they filmed a video where they discussed what they've learnt about Fairtrade from working with us in 2021, plus some of the highs and lows of being leaders in the sustainability space. This content was shared across their channels and our own.



International Coffee Day campaign

Growing the market and awareness of quality Papua New Guinean coffee is essential to our partnership with MFAT. We developed a three-week campaign, centred around 2021 International Coffee Day, that did just that. The campaign spanned across digital ads, giveaways, influencers, magazine print and digital advertising, magazine giveaways and radio advertising.

International Coffee Day 2021 campaign highlights:



New website and change in social media presence

In July 2020 we launched a new website for Fairtrade Australia and New Zealand. The website merged what had previously been two country-specific websites into one.

In 2021 we aligned our online presence with the new Fairtrade global strategy and our audience interests (based on 2020 reporting). To do so, we shifted our voice and the way we look. We now have consistent fresh branding across the website and our social media, a strong and united voice, and are talking about issues and themes in a way that our audience cares about.

Focusing on thematic issues is not country specific so eliminated the need for us to operate individual country accounts on each of the social channels. In December 2021, we changed our Facebook and Instagram presences to a single account on each platform for both Australia and New Zealand. This created a simpler user journey that aligns with the new website, as well as enabling better use of the resources of the Fairtrade team.





# Strategic partnerships



## Building a gender sensitive and climate resilient future

At the end of June 2021, the Ministry of Economic Affairs in Timor Leste officially launched the Enhanced Integrated Framework project, Gender Sensitive, Climate Resilient, International Market Access through Fairtrade for Least Developed Countries (LDCs): Ethiopia and Timor Leste. This complicated name basically just explains that a multilateral organisation EIF is now working with us in Timor Leste to develop new trade opportunities in a way that is consistent with Fairtrade values (around gender and environment).

Drought and inconsistent rainfall patterns are a major production and livelihood risk in Timor Leste. Through this project, Fairtrade ANZ in collaboration with Cooperativa Comercio Agricola de Timor, established water committees in nine communities, aiming to support more than 1,000 beneficiaries. Construction of water tanks and training to support sustainable water management will be rolled out across 2022.

We have also been busy laying the foundations for Fairtrade Women's School of Leadership which will be launched in partnership with Movimentu Feto Foin Sae Timor-Leste in early 2022. Our aim is to train 25 women and youth on leadership and gender equality and to have women farmers ambassadors in Fairtrade coffee communities.

## Fairtrade and organic partner for impact

Dual certification of Fairtrade and organic is an important market tool for producer organisations across the wider Pacific, increasing access to buyers and providing higher returns for farmers through the combination of the Fairtrade Minimum Price and the Fairtrade Organic Differential.

In early 2020, Fairtrade Australia and New Zealand ANZ and NASAA Certified Organic NCO with support from Market Development Facility MDF, launched a partnership to support increased access to dual Fairtrade and organic certification in Papua New Guinea. The partnership between Fairtrade and NCO will build capacity of exporters and producer groups to manage multiple certification requirements and hence benefit from voluntary sustainability standards.

In 2021, the partnership supported one Fairtrade producer organisation to become organic certified, increasing their market potential. We have also developed educational resources and conducted workshops with key industry stakeholders across Papua New Guinea.

The partnership will continue in 2022, aiming to connect more farmers to international markets through dual certification whilst also building an ecosystem to support standards compliance in PNG.

## Carbon and water footprint study in Fiji

Currently, sugarcane production is located on Fiji's two main islands of Viti Levu and Vanua Levu, directly and indirectly impacting the livelihoods of 20% of the population. Declining international demand for sugar, high costs of production and increasing impacts from climate change are threatening to undermine the longevity of the industry.

Fairtrade ANZ, in collaboration with Fairtrade International and The Fiji Sugar Corporation, is supporting the sugarcane industry to implement a carbon and water footprint study to assess the environmental impact of the sector and propose climate change mitigation and adaptation strategies.

## Better labour practices

In 2020, Fairtrade ANZ and Fairtrade International provided support to two producer organisations to implement Fairtrade's Better Labour Practices approach in sugar cane production. This approach is being piloted in Belize, Mauritius and Fiji. Key components of the Better Labour Practices include targeted trainings to the producer organisations, awareness raising to its members, community engagement and establishing and operating an inclusive monitoring and response systems for child labour, forced labour and/or gender-based violence.

This project has been funded by Fairtrade International, the Australian Department of Foreign Affairs and Trade and the two producer organisations' Fairtrade Premium. The two producer organisations in Fiji have produced relevant policies prohibiting child labour and forced labour and rolled out awareness training with over 600 of their members. Labour committees were also set up. These were made up of board members, certification officers, protection focal points and youth monitors, including representatives from rights-based NGOs and local government. The committees were charged with engaging communities in identifying risks to child labour.





# Brand Partners

We partner with over 250 brands. Here are a just a snapshot of the many partners changing the sustainability landscape in Australia and New Zealand.

## Dr Oetker Queen

Queen's Fairtrade Vanilla extract has become extremely popular due to the increased interest in baking during COVID-19 lockdown periods. This reflects not only Queen's focus on quality, but also their long-term investment in vanilla production in the Pacific, in partnership with our PSR team.

## Woolworths/Countdown Macro

A stalwart product in their coffee category, for over 10 years Woolworths and Countdown have been selling Fairtrade Organic coffee under the Macro brand. The long association has enabled COOPCHEBI cooperative in Peru to widely invest Fairtrade Premium for the benefit of their members.

## Coles

Coles continues to innovate with own-brand products, and in early 2021 launched Fairtrade organic kombucha in two delicious flavours using tea from China and India. This product is one of the first to be launched in Australia under the FSI label (Fairtrade Sourced Ingredient).

## ALDI

Although the relative new kid on the Australian supermarket block, ALDI has taken a leading role in developing Fairtrade certified products. Moser Roth chocolate blocks are a firm favourite with their customers, while their Lazzio Fairtrade organic Peru and Honduras ground coffees were amongst the products awarded Canstar Best Branded Coffee 2021, acknowledging the benefit of ALDI's strategy to source locally roasted coffee that appeals to Australian tastes.

## Kowtow

Driven by founder Gosia Patel's vision, Kowtow established itself as a leading sustainable fashion brand, long before "sustainable" became a buzzword in the industry. Kowtow uses Fairtrade cotton to create innovative, luxurious textiles for its beautiful garments and their commitment to protecting both people and planet makes them a true pioneer in the fashion world.

Kowtow is now breaking into the international fashion stage with sales in the United States of America.

## Bennetto

This Kiwi-born chocolate brand has carved out a niche in ANZ independent retail with its beautifully packaged vegan Fairtrade organic chocolate blocks. Brand founder Lucy joined us on a trip to visit Peruvian cocoa producer Acopagro back in 2019 to see for herself the positive impacts of Fairtrade. We look forward to being able to organise more origin trips in the near future.

## Z Energy

Z Energy's commitment to sourcing only Fairtrade beans means Kiwis can enjoy truly ethically sourced coffee at every one of the 140 Z Express servo sites across North and South Island. They even offer customers the chance to pre-order their Fairtrade coffee so it's ready to pick up when they drive up – a real win-win for coffee lovers and coffee farmers!

## Bruno Rossi

In addition to offering 100% Fairtrade coffee, Bruno Rossi is working towards sending zero waste to landfill by 2025 – this is achieved by forming coffee husks into pellets to be used by a variety of small agricultural businesses, and some husks are also commercially composted.





# Our presence

## Webinar with Jeffrey Sachs

Thanks to the help of our board member John Thwaites and the sustainable solutions network, in August 2020, Fairtrade ANZ, hosted alongside our friends from the Global Compact Network Australia 'Globalisation and the COVID-19 Economic Recovery'. This event featured renowned economist Jeffrey Sachs, who addressed challenges and opportunities in the post-COVID world. This was an invitation-only event for licensees and potential partners with over 240 attendees. The event included a Q&A and introduction by Fairtrade CEO, Molly Harriss Olson. The event was broadcast afterwards on Radio National's Big Ideas program and Jeffrey Sachs was also interviewed prior to it on Radio National breakfast.

## Globalisation and Economic Recovery Post Covid-19

A Forum with Jeffrey Sachs



## Melbourne Food and Wine Festival, March 2020

Partnering with Coffex (a Melbourne coffee licensee), we participated in the highly successful Melbourne Food and Wine Festival. They had a specially made PNG Fairtrade coffee on offer at the event's iconic long breakfast and brunch events and all Coffex staff wore Fairtrade t-shirts. We also collaborated in a giveaway with Coffex who sent the details out to the Festival's 250,000 email list. The same giveaway was promoted through both organisation's social media channels.

## John Burton event

John Burton Limited continues to be an integral partner in the New Zealand market and is a strong advocate for Fairtrade. To mark Fairtrade Fortnight 2021, we organised three events in Auckland, Wellington and Christchurch with coffee commercial partners and coffee roasters. We provided origin videos, talked about Coffee Quality training programs in the Pacific and ran coffee cuppings. The purpose was to connect coffee roasters to origin and educate attendees on the Fairtrade system. We had over 60 people participate in the three events.



## Rose and coffee giveaway, June 2020

Targeting the already warm audience from the Melbourne Food and Wine Festival via the Festival's email list we offered a free bunch of Fairtrade roses to anyone in Melbourne who bought the special PNG coffee blend. This offer was also promoted via social media channels.



A Fairtrade tram



A new Fairtrade-themed tram hit the tracks in Melbourne in October 2021 with a beautiful blue design and strong messaging to "Choose fair" for "a fairer future for women, children and climate". The tram was part of the Yarra Trams Community Partnership program in which Yarra Trams offers community partners in-kind advertising worth more than \$1 million a year. Thanks to board member Terence Jeyaretnam, for putting us forward to Yarra Trams. To build on the momentum of the tram, we had Sally Capp, Lord Mayor of Melbourne, launch the Fairtrade tram with a video recording promoted on our social media channels. We built a landing page on our website including an interactive map with all the places you can find Fairtrade along the tram line plus a colouring-in and education kit for kids.

Licensees speaking about Fairtrade

Fairtrade's brand partners speaking about their choice to be Fairtrade certified is mutually beneficial way to engage their audiences.

**Licensee talking Fairtrade highlights**

**FAIRTRADE GIVEAWAY DURING FAIRTRADE FORTNIGHT THROUGH NEW ZEALAND RETAILER, FARRO'S, INSTAGRAM.**

**TONY CHOCOLONELY LAUNCH INTO ANZ MARKET.**

**WELLINGTON CHOCOLATE FACTORY SET UP A POP-UP SHOP. USED A FAIRTRADE IMAGE ON THE WALL WITH A FAIRTRADE QUOTE.**

**FAIRTRADE GIVEAWAY PLUS FAIRTRADE FLYER DURING FAIRTRADE FORTNIGHT AT NEW ZEALAND RETAILER, HUCKLEBERRY.**

**WHO GIVES A CRAP COLLABORATION WITH JASPERS TO SUPPLY THEIR BLEND NO.2 FAIRTRADE COFFEE.**

In the media

We have expanded our offering in paid and earned media over the last 18 months as part of a strategy to get more people to understand and know Fairtrade. The paid media has included advertising and giveaways in a range of magazines and their related social media channels in both Australia and New Zealand including **Marie Claire, Gourmet Traveller, Peppermint, Frankie, Wild and MindFood.**

In addition, Fairtrade ANZ has been successful in attracting extensive coverage in print, online and electronic media over the last 18 months.



Media coverage highlights

Radio Australia, Pacific Beat plus online ABC story: Ran multiple stories about Unen Choit's new road. Interviewees were Molly Harriss Olson -CEO, Gabriel Iso - PNG Manager for Fairtrade ANZ and Molock Terry - Manager of Unen Choit PO. Duration 5.50 (May 2021).

Company Director magazine – Two-page profile piece on CEO Molly Harriss Olson in leading business magazine (July edition).

The Conversation Hour with Richelle Hunt and Jonathon Kendall, ABC Radio Victoria: One hour panel interview including Molly Harriss Olson and Will Valverde from Fairtrade ANZ plus Fairtrade licensee Wells Trenfield from Jasper Coffee about Fairtrade coffee. Shared on twitter – reposted by Richelle Hunt to her 1,500 followers. The story was also shared on ABC Melbourne twitter to their 215,000 followers. Also featured on ABC Melbourne website front page (August 2021).

Conversations with Richard Fidler, ABC Local Radio nationwide and broadcast on Radio National and Channel 26 on digital TV: One hour profile Conversation with Molly Harriss Olson. Tweeted by @abcconvos – followed by 17.9K people. Retweeted by @radionational – followed by 93.4K (August 2021).



# Our Impact

## Timor Leste

**In 2020/21, Fairtrade ANZ supported 18 Fairtrade producer organisations to access AUD 93,811 in cash from the Fairtrade Producer COVID Relief Fund.**

One Fairtrade producer organisation chose to redirect their COVID relief funds directly back into the community. Initially the impact of COVID 19 in Timor Leste was not so much about the disease but the economic impacts of lockdowns. Producers were unable to access local markets to sell vegetables and sales from coffee were disrupted. As a result, families were left without the resources to pay for living costs or buy more vegetable seeds for their gardens. The Fairtrade Producer Relief Fund filled this gap and allowed Cooperativa Comercio Agricola de Timor to support farmers in land cultivation and grow more vegetables and gonjac (an Asian root vegetable). Once the markets reopened, the produce was ready to sell, and the seeds have now been stored for future seasons as well. In total, the Fairtrade producer organisation estimates that this small program had an impact on 342 people. Cooperativa Comercio Agricola de Timor is now seeking to extend this program to further support farmers after the latest hardships in the country so that more small steps can be made to ensure the livelihoods of producers.

## Fiji

**Fiji faced many challenges over the previous year, with the advent of COVID-19 and multiple cyclones making landfall in early 2021.**

## Responding to Yasa

With support from Fairtrade ANZ and a commercial partner, Labasa Cane Producer Association (LCPA) was able to leverage their Fairtrade Premium for LCPA members affected by the devastating cyclone on long term food security for their families. A total of 3,310 cane

farmers and 110 farm workers received the seed packs consisting of 13 different vegetable seeds. Working with the gang delegates LCPA established distribution schedules, with many farmers appreciative of the efficiency of the process.

## Making communities safer

The Rarawai Penang Cane Producer Association undertook community-based identification of hazards in thirteen communities, and planned and implemented thirteen projects to resolve the highest priority identified hazards. This resulted in bus shelters that protected children from the intense sun and heavy rains on their way to school which consequently supported school attendance. Other projects included culverts that redirected heavy rainwater to prevent flooding and maintain access to main roads, and safety for people travelling on foot. A water tank system was also implemented to provide clean drinking water to five families.

## PNG

### Money First

Coffee producer sales have increased, partly because of a Fairtrade program helping with working capital, so we've been further supporting six producer organisations to set up proper accounting systems to better track income and expenses, reconciliations, and internal/external reporting. This involved some external accounting providers but after some more mentoring and training, the long-term plan is for the producer organisations to be able to do their accounts accurately themselves.

## Remote Coffee Training

In May and June 2021 we delivered coffee quality training in PNG in partnership with the Coffee Quality Institute. These sessions were delivered to three producer organisations with the help of some solar panels! More than 23 farmers were able to engage with these remote sessions. The participants built on knowledge developed in earlier training about the science of quality control and how to make that accessible to farmers. There were also 21 participants who will be able to take their learnings back to their communities to share the new knowledge and ways to upskill.





# Financial Statements

## Revenue

The total revenue for Fairtrade ANZ has increased by 31.1% in the 18 months ended 31 December 2021 compared to the previous 12 months period.

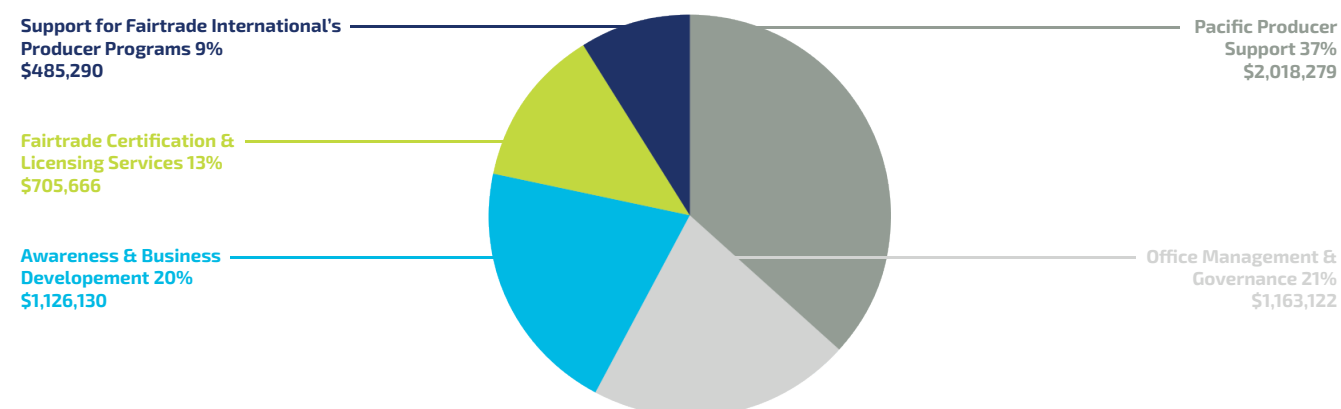
There is a decrease in licensee income in the last six months of the 31 December 2021 financial period due to the loss of a key licensee in the last two quarters of 2021 with Fairtrade ANZ still overcoming the COVID19 impact to smaller licensees in 2021.

The revenue from donor funds acquitted in the 18 months ended 31 December 2021 increased by 50.9% due to the delay in travel restrictions and grant spendings from 2020 FY taking place in 2021.

Fairtrade ANZ wishes to acknowledge the significant support of Australia's Department of Foreign Affairs and Trade (DFAT) and New Zealand's Ministry of Foreign Affairs and Trade (MFAT) which enables us to conduct critical business development and marketing and community management activities and to extend our operations across the Pacific.

## Expenditure

Fairtrade ANZ has continued to provide operational and program management business partnership support, build community and consumer awareness, maintaining integrity, as well as contributing regional and international alignment to support significant projects that benefit the Fairtrade system as a whole.



## STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME FOR THE 18 MONTHS ENDING 31 DECEMBER 2021

	18 months ended 31 December 2021	12 months ended 30 June 2020
	\$	\$
<b>Income</b>		
Grant income	2,060,951	1,365,576
License fees	2,832,718	2,371,193
Other income	87,334	62,500
<b>Total income</b>	<b>4,981,003</b>	<b>3,799,269</b>
<b>Expenses</b>		
<b>Australian grants</b>		
International program costs	414,892	519,994
Program support costs	335,680	46,818
Community education costs	87,726	66,823
<b>New Zealand grants</b>		
International program costs	313,046	414,081
Program support costs	324,103	107,242
Community education costs	450,146	210,781
<b>Other Grants</b>		
International program costs	272,657	-
Program support costs	62,002	-
Community education costs	-	-
<b>Total grant expenditure</b>	<b>2,260,252</b>	<b>1,365,739</b>
<b>Other expenditure</b>		
Organisation costs	47,137	64,912
Domestic program costs	99,926	92,333
Employment costs	1,281,337	1,011,199
Licensing costs	1,024,874	903,580
Non-monetary costs	99,245	36,592
Occupancy costs	140,782	119,487
Other employment costs	78,113	23,531
Other costs	321,965	283,253
Technology costs	144,808	114,019
<b>Total expenditure</b>	<b>5,498,498</b>	<b>4,014,645</b>
<b>Surplus/ (Deficit) from operating activities</b>	<b>(517,495)</b>	<b>(215,376)</b>
Finance income/(loss)	(30,004)	5,554
Finance cost	(1)	(810)
<b>Surplus/ (Deficit) for the year</b>	<b>(547,500)</b>	<b>(210,632)</b>
<b>Other comprehensive income</b>		
Foreign currency translation (losses)/ gains	(5,808)	(39,448)
<b>Total comprehensive surplus/(deficit) for the year</b>	<b>(553,307)</b>	<b>(250,080)</b>

This summary financial information was extracted from the audited Annual Financial Report. It is consistent in substance with these statements notwithstanding the less technical language and content. The full financial statements are available on the Fairtrade ANZ Ltd website [www.fairtradeanz.org](http://www.fairtradeanz.org)



**STATEMENT OF FINANCIAL POSITION**  
**31 December 2021**

	18 months ended 31 Dec 2021	12 months ended 30 June 2020
	\$	\$
<b>ASSETS</b>		
Cash and cash equivalents	1,153,816	2,305,333
Trade and other receivables	1,210,303	1,020,693
<b>TOTAL CURRENT ASSETS</b>	<b>2,364,119</b>	<b>3,081,127</b>
Property, plant and equipment	13,989	21,134
Intangible assets	62,567	126,166
Right of Use Assets	-	10,060
<b>TOTAL NON CURRENT ASSETS</b>	<b>76,556</b>	<b>157,360</b>
<b>TOTAL ASSETS</b>	<b>2,440,675</b>	<b>3,483,386</b>
<b>LIABILITIES</b>		
Trade and other payables	490,626	775,200
Contract liabilities	744,378	965,879
Employee benefits	175,136	153,652
Lease Liability	-	9,064
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,410,140</b>	<b>1,903,795</b>
Employee benefits	38,655	34,404
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>38,655</b>	<b>34,404</b>
<b>TOTAL LIABILITIES</b>	<b>1,448,795</b>	<b>1,938,199</b>
<b>NET ASSETS</b>	<b>991,880</b>	<b>1,545,187</b>
<b>EQUITY</b>		
Reserves	747,953	753,760
Retained earnings	243,927	791,427
<b>TOTAL EQUITY</b>	<b>991,880</b>	<b>1,545,187</b>

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 18 MONTHS ENDED 31 DECEMBER 2021**

	Retained Earnings	Foreign Currency Translation Reserve	General Reserves	Total
	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>	<b>791,427</b>	<b>18,081</b>	<b>735,679</b>	<b>1,545,187</b>
<b>Total comprehensive income for the year</b>				
Exchange differences on translating foreign operations	-	(5,808)	-	(5,808)
	-	(5,808)	-	(5,808)
Deficit for the year	547,500)	-	-	(547,500)
Total comprehensive income / (loss) for the year	(547,500)	(5,808)	-	(553,307)
<b>Balance at 31 December 2021</b>	<b>243,927</b>	<b>12,274</b>	<b>735,679</b>	<b>991,880</b>

**STATEMENT OF CASH FLOWS**  
**FOR THE 18 MONTHS ENDED 31 DECEMBER 2021**

	18 months ended 31 Dec 2021	12 months ended 30 June 2020
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from grants	2,116,5005	2,024,912
Receipts from Licensees	2,535,028	3,110,883
Payments to suppliers and employees	(5,699,139)	(4,286,675)
Other income	(82,250)	26,000
Interest received	(30,004)	5,553
<b>Net cash used in operating activities</b>	<b>(1,129,860)</b>	<b>880,673</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(15,850)	(3,762)
Purchase of Intangible Assets	-	(120,000)
Proceeds on disposal of property, plant and equipment	-	-
<b>Net cash used in investing activities</b>	<b>(15,850)</b>	<b>(123,762)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Lease Payments	-	(9,819)
Effects of exchange rate changes on cash and cash equivalents	(5,807)	(39,448)
<b>Net cash used in financing activities</b>	<b>(5,807)</b>	<b>(49,267)</b>
Net decrease in cash and cash equivalents held	(1,151,517)	707,644
Cash and cash equivalents at beginning of year	2,305,333	1,597,689
<b>Cash and cash equivalents at end of financial year</b>	<b>1,153,816</b>	<b>2,305,333</b>





NOTE 1 – BASIS OF PREPARATION

The Summary Financial Statements ("the Statement") has been prepared for the purposes of fulfilling Fairtrade Australia and New Zealand Ltd's ("the company") financial reporting obligation under Australian Council for International Development Code of Conduct.

The accounting policies applied in preparing the Statement are consistent with those used to prepare the company's general purpose financial report for the 18 months ended 31 December 2021, which was signed on 9 June 2022. The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board and the Australian Charities and Not-for-profit Commission Act 2012.

The full financial statements are available on the Fairtrade ANZ Ltd website [www.fairtradeanz.org](http://www.fairtradeanz.org)

NOTE 2 - STATEMENT OF CASH MOVEMENTS FOR DESIGNATED PURPOSES

	Cash available at start of financial year	Cash raised during the financial year	Cash disbursed during the financial year	Cash available at end of financial year
MFAT - Ministry of Foreign Affairs and Trade	171,123	716,872	887,995	-
DFAT - Department of Foreign Affairs and Trade	794,756	550,371	767,389	577,738
ANU - Australian National University	-	52,500	34,535	17,965
MDF - Market Development Facility	-	37,867	36,374	1,493
EIF/UNOPS - United Nations Office for Project Services	-	199,951	103,073	96,878
Fairtrade International – Producer support services	-	112,3006	62,002	50,304
Nestle Funds for Fijian Farmers (NFF)	-	169,584	169,584	-
Total	965,879	1,839,451	2,060,951	744,378

NOTE 3 – DIRECTORS' DECLARATION

The signed directors' declaration is included in the full version of the audited Annual Financial Report which is available on the Fairtrade ANZ Ltd website [www.fairtradeanz.org](http://www.fairtradeanz.org)



Independent Auditor's Report

To the members of Fairtrade Australia and New Zealand Pty Ltd

Opinion

We report on the **Summary Financial Statements** of *Fairtrade Australia and New Zealand Ltd (the Company)* as at and for the 18 month period ended 31 December 2021. The Summary Financial Statements are derived from the audited financial report of the Company (the Audited Financial Report).

In our opinion, the accompanying Summary Financial Statements of *Fairtrade Australia and New Zealand Ltd* are consistent, in all material respects, with the Audited Financial Report, in accordance with the basis of preparation described in Note 1 to the Summary Financial Statements.

The **Summary Financial Statements** comprise:

- Statement of financial position as at 31 December 2021
- Statement of surplus or deficit and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended.
- Related notes 1 to 3.

The Summary Financial Statements are contained in the *Audited Financial Report*.

Scope of the Summary Financial Statements

The Summary Financial Statements do not contain all the disclosures required by Australian Charities and Not-for profits Commission Act 2012 and Australian Charities and Not-for-profits Commission Regulation 2013 applied in the preparation of the Audited Financial Report. Reading the Summary Financial Statements and this Auditor's Report thereon, therefore, is not a substitute for reading the Audited Financial Report and our auditor's report thereon.

The Audited Financial Report and our auditor's report thereon

We expressed an unmodified audit opinion on the Audited Financial Report in our auditor's report dated 16 August 2022.

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#### Emphasis of matter – basis of preparation and restriction on use and distribution

We draw attention to Note 1 to the Summary Financial Statements, which describe the basis of preparation.

The Summary Financial Statements have been prepared to assist the Directors of Fairtrade Australia and New Zealand Ltd for the purposes of fulfilling Fairtrade Australia and New Zealand Ltd's financial reporting obligation under Australian council for international Development Code of Conduct ("ACFID").

As a result, the Summary Financial Statements and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

This Auditor's Report is intended solely for the Directors of Fairtrade Australia and New Zealand Ltd and ACFID and should not be used by or distributed to parties other than the Directors of Fairtrade Australia and New Zealand Ltd and ACFID. We disclaim any assumption of responsibility for any reliance on this Auditor's Report, or on the Summary Financial Statements to which it relates, to any person other than the Directors of Fairtrade Australia and New Zealand Ltd and ACFID or for any other purpose than that for which it was prepared.

#### Material uncertainty related to going concern

We draw attention to Note 1 "Basis of Preparation" in the Summary Financial Report which refers to the general purpose financial report. The conditions disclosed in Note 2(f) in the general purpose financial report, indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the Summary Financial Report. Our opinion is not modified in respect of this matter.

#### Other Information

Other information is financial and non-financial information in Fairtrade Australia and New Zealand Ltd's Annual report which is provided in addition to the Summary financial Statements and the Auditor's report. The Directors are responsible for the Other Information.

Our Opinion on the Summary Financial Statements does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Summary Financial Statements, our responsibility is to read the Other Information. In doing so, we consider whether the Other information is materially inconsistent with the Summary Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.



#### Responsibility of the Directors for the Summary Financial Statements

The Directors are responsible for the preparation of the Summary Financial Statements in accordance with the basis of preparation described in Note 1 to the Summary Financial Statements, including their derivation from the Audited Financial Report of the Company as at and for the year ended 31 December 2021.

#### Auditor's responsibility for the Summary Financial Statements

Our responsibility is to express an opinion on whether the Summary Financial Statements are consistent, in all material respects, with the Audited Financial Report based on our procedures, which were conducted in accordance with *Australian Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements*.

KPMG

Amanda Bond  
Partner

Melbourne  
16 August 2022



# Governance and Stakeholders

Fairtrade ANZ is honoured to continue our important collaboration with countless producers, brands, governments, non-government organisations and communities. But there are a few stakeholders who deserve special mention.

## Board of Directors

Fairtrade ANZ is governed by an independent, voluntary board. It consists of the following directors: John Buttle (Chair), Dr Mike Briers AO, Dr John Hewson, Terence Jeyaretnam, Josie Pagani, John Thwaites and Margaret Zabel.



John Buttle  
(Chair)



Margaret  
Zabel



John Hewson



Terence  
Jeyaretnam



Josie Pagani



John Thwaites

Fairtrade ANZ acknowledges the service of Chris Davis who stepped down from the Fairtrade ANZ board in the last 18 months.

## Members

Fairtrade ANZ has three member organisations: Friends of the Earth Australia and The Ethics Centre, International Women's Development Agency and Friends of the Earth Australia.



## Partners and supporters

Thank you to our licensees, stakeholders, partners and community advocates who have supported us over the past 18 months. In particular, New Zealand's Ministry of Foreign Affairs and Trade and Australia's Department of Foreign Affairs and Trade continue to provide valuable support, our new partner the World Trade Organisation with Enhanced Integrated Framework has helped us with projects in Timor Leste and Ethiopia. We also appreciate the invaluable pro bono assistance from Allens, Bell Gully and Ernst & Young.

We acknowledge the support and collaborative spirit of the following stakeholders:

- Future Business Council
- Green Building Council of Australia
- The New Zealand Trade for All Advisory Board
- Sustainable Business Council
- Sustainable Business Network
- Sustainable Development Solutions Network, Australia, New Zealand and Pacific
- United Nations Global Compact Network of Australia



# Accountability and Accreditation

## Incorporation and charitable status

Fairtrade ANZ is a public company limited by guarantee under the Corporations Act and is a registered charity with the Australian Charities and Not-for-Profits Commission. Fairtrade ANZ is a public benevolent institution and is endorsed by the Australian Taxation Office as a Deductible Gift Recipient (DGR) and an Income Tax Exempt Charity.

## Australian Council for International Development Membership

Fairtrade ANZ is a member of the Australian Council for International Development (ACFID) and adheres to the ACFID Code of Conduct (<https://acfd.asn.au/code-of-conduct>). This sets standards of good practice for the governance, management and accountability of non-government organisations and aims to improve international development outcomes and increased stakeholder trust by enhancing the transparency and accountability of signatory organisations.



## Council for International Development Membership

Fairtrade ANZ is a member of the New Zealand Council for International Development (CID), the national umbrella agency representing more than 50 members from the aid and development sector in New Zealand. CID exists to support effective aid and development programs with the vision of achieving a sustainable world free from poverty and injustice. As a member, Fairtrade ANZ adheres to the CID Code of Conduct.



## Feedback

Feedback on this report and on our operations and conduct can be sent to:

Private and Confidential, CEO,  
33 Lincoln Square South Carlton, VIC 3053 Australia  
or  
Private and Confidential, CEO,  
PO Box 33 1587, Takapuna, Auckland 0740

To lodge a complaint, please send to one of the above addresses or email us at:

[info@fairtrade.com.au](mailto:info@fairtrade.com.au) or [info@fairtrade.org.nz](mailto:info@fairtrade.org.nz)  
Our complaints handling policy can be found on our website ([www.fairtradeanz.org/resources](http://www.fairtradeanz.org/resources)).

If you are not satisfied with the response and believe our organisation has breached the ACFID Code of Conduct or the CID Code of Conduct, you can lodge a complaint:

• With the ACFID Code of Conduct Committee at [code@acfd.asn.au](mailto:code@acfd.asn.au). Information about how to make a complaint can be found at [www.acfd.asn.au](http://www.acfd.asn.au)

• With the CID Code of Conduct Committee at [code@cid.org.nz](mailto:code@cid.org.nz). Information on how to make a complaint can be found at [www.cid.org.nz](http://www.cid.org.nz)

Fairtrade ANZ is an Assurance Provider of Fairtrade International, providing Fairtrade certification services in Australia and New Zealand. We meet Fairtrade International requirements for Assurance Providers. The Fairtrade International Assurance System is designed to meet the requirements of ISEAL's Assurance Code and builds on ISO 17065 Standard.



# Thank you

To all our supporters, business partners, retailers and consumers: thank you for choosing Fairtrade. Thank you for choosing a fairer future. In doing so, you're empowering farmers and workers in developing countries to build a better future for themselves, their communities, and the planet.

## Contact us

For queries or more information, please visit:  
**[fairtradeanz.org](https://fairtradeanz.org)**

### Australia

@ [info@fairtrade.com.au](mailto:info@fairtrade.com.au)

### New Zealand

@ [info@fairtrade.org.nz](mailto:info@fairtrade.org.nz)

### Socials

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